

CALIFORNIA STATE BOARD OF EQUALIZATION

HARVEST VALUE SCHEDULES, EFFECTIVE JANUARY 1 THROUGH JUNE 30, 1997 (Adopted by the California State Board of Equalization, December 4, 1996)

INSTRUCTIONS

REPORTING PROCEDURE - Timber tax returns must be reported by the Timber Tax Account Number of the timber owner. The return shall include only timber having the same ownership as shown for the registration of the account.

The Timber Tax Harvest Report is completed first by the taxpayer in order to prepare the Timber Tax Return. The taxpayer must maintain records to report the timber for each timber harvest operation separately as defined below.

TAX RATE - The tax rate for the period of this schedule is 2.9%.

TIMBER HARVEST OPERATION

- A. A harvest on private land for an entire Timber Harvesting Plan, Notice of Timber Operations or Emergency Notice, or a combination of these within the same geographical area, as submitted to the Department of Forestry. Two or more timber owners who elect to combine their harvests under one harvest permit, may report each harvest as a separate operation so long as each owner has a distinct timber parcel and each has a separate yield tax account.
- B. A harvest on public land for an entire timber sale contract between a public agency and a purchaser.

HARVEST VALUE SCHEDULE - The appropriate schedule provides the timber values to be used by the timber owner for preparing the Timber Tax Harvest Report and the Timber Tax Return. Nine timber value areas are designated within the State, and the taxpayer must use the appropriate column of the harvest value schedule for timber harvested within the specified area. Timber value areas are shown on the map, and the boundaries of these areas follow county boundaries with exceptions in Shasta, Siskiyou, Tehama, and Trinity Counties.

SPECIES - Timber species or products are reported by using the appropriate code as shown in the harvest value table. Jeffrey pine is reported as ponderosa pine. Western white pine is reported as sugar pine. Fir and hem/fir include white fir, red fir, grand fir, western hemlock, and Shasta red fir. Miscellaneous conifers include lodgepole pine, knobcone pine, digger pine, mountain hemlock and other evergreen species not listed in the table. Coastal whitewoods in areas 1 and 2 include spruce and western redcedar. Unsound sapwood logs are to be reported along with the other volumes for a particular species code. Small sawlogs include all species that qualify for this definition as found in the Table 1 instructions.

CULL LOGS - A cull log is any log that, when scaled, shows less than 1/4 of its gross volume as sound, usable lumber. Cull logs are to be reported in adjusted gross M board feet. Unsound sapwood logs are not classified as cull logs.

OLD GROWTH OR YOUNG GROWTH - The taxpayer must report the timber as either old growth or young growth, providing the quantity in each category. The taxpayer shall use the following characteristics to classify volumes for certain species as either old growth or young growth timber. The timber values are based upon this classification and the old growth timber is usually rated for size-quality.

This system is designed for rating standing timber, not logs; therefore, the upper logs of old growth trees shall be placed in the old growth category.

The taxpayer must give full consideration to all of the characteristics of the timber. An individual characteristic, such as age, shall not be used in this classification. The appropriate category shall be selected if a majority of the characteristics appear under that category. It is suggested that this classification be made by a registered professional forester based upon an inventory or a statistical

INSTRUCTIONS

sample of the timber utilizing the given characteristics. When age class is based on a statistical sample such as a stand inventory (cruise), it shall remain fixed for the life of the operation. When age class is based on scaling records, it shall be determined independently each reporting quarter. If log scalers are used to rate the timber, their rating must also be based on the following characteristics.

Characteristics	<u>Old Growth Timber</u>	<u>Young Growth Timber</u>
Wood	Produces high quality lumber with fewer knots in the lower logs.	Produces lower quality lumber and more knots in lower logs.
Age	Mature and over mature trees 150 years and over, except in the redwood--Douglas-fir areas within TVA 1 and TVA 2 where 100 years shall be the criterion.	Younger trees under 150 years except in the redwood--Douglas-fir areas within TVA 1 and TVA 2 where 100 years shall be the criterion.
Crown	Branches may be downturned and the tops may be rounded or flat.	Branches are usually upturned and the tops are usually pointed.
Bark	Dependent upon species, bark is typical of older mature trees as described in dendrology books.	Dependent upon species, bark is typical of younger trees as described in dendrology books.
Growth	Trees are generally growing increasingly slower as indicated by annual rings, dependent upon position of the tree within the timber stand. Grain usually shows six annual rings or more per inch.	Trees are generally growing fast as indicated by annual rings, dependent upon position of the tree within the timber stand. Grain usually shows less than six annual rings per inch.

SALVAGE TIMBER - Salvage values are used for reporting salvage timber removed from an area designated for salvage logging. Salvage logging may occur whenever the prompt removal of timber is essential to avoid its deterioration. For old growth redwood, salvage logging includes the removal of dead or down trees previously left as unmerchantable in an earlier harvest.

1. Salvage timber includes only dead, dying, damaged or down trees removed from the area of salvage logging.
2. Live, healthy trees removed from the area of salvage logging do not qualify for salvage values.
3. Dead, dying, damaged or down trees should not be reported as salvage timber if they are removed as a part of a normal harvest.

LOGGING SYSTEM - The taxpayer must report the volume of timber harvested by logging system. Logging systems and logging code numbers are as follows: Tractor (includes skidding with winch, endlining) -1, High-lead cable -2, Short-span skyline - 3, Long-span skyline - 4, and Helicopter - 5. Skyline logging settings are classified by the actual external yarding distance on the slope: Short-span has a maximum length of 1500 feet and long-span is over 1500 feet. Note that the table values are for tractor logging; that value needs to be adjusted in order to report any of the other logging systems.

VOLUMES - All volumes are net Scribner short-log scale (20 feet maximum scaling length) except where indicated otherwise in Table 1. For national forest timber sold on scaled volume billings, the Forest Service statements of account (billing statement) shall be the basis for tax payment. To convert split products to a board foot basis, multiply the thickness by the width and by the length (all in inches) and divide by 144 ($T'' \times W'' \times L'' / 144 = \text{Board Feet per Piece}$).

INSTRUCTIONS

TABLES - The harvest value schedule has six separate tables to provide the taxpayer with the taxable value of harvested timber. Timber values are shown on Tables 1, 3, 4, 5 and 6 as a dollar amount per thousand (M) board feet or other unit of measure. Species codes and units of measure are shown in the tables for preparation of the Timber Tax Harvest Report. Table 2 is shown in board feet and is used to derive the proper size-quality classification of some old growth species.

VALUE DEDUCTIONS - Low volume harvest may qualify for reduction of harvest values. Volume limits and deduction amounts are shown at the bottom of each of the harvest value tables except Table 1, Miscellaneous Harvest Values, where no deduction is allowed. The small total volume deduction is applicable to all qualified timber harvest operations; however, the low average volume per acre deduction is not applicable to salvage timber. Either or both deductions may be used if the operation meets the applicable limitations. The total net volume of all species of timber removed quarterly from the timber harvest operation is used to determine whether the operation qualifies for the small total volume deduction. This figure is then divided by the actual acres harvested during the quarter on the timber harvest operation to determine the average net volume per acre.

TIMBER TAX OFFICES - Please contact the Timber Tax Division if you need assistance.

Sacramento - 450 N Street, MIC: 60, Sacramento, CA 95814
P.O. Box 942879, Sacramento, CA 94279-0060
Telephone (916) 445-6964

Eureka - 134 D Street, Suite 303, P.O. Box 4866, Eureka, CA 95502
Telephone (707) 445-6502 (**Note: Counter assistance discontinued at Eureka office. Courtesy help line available only.**)

Redding - 2400 Washington Avenue, Suite 210, Redding, CA 96001
Telephone (916) 225-2670

PRIVACY NOTICE - INFORMATION FURNISHED THE BOARD OF EQUALIZATION IS HELD CONFIDENTIAL

The Information Practices Act of 1977 requires this agency to provide the following notice to individual taxpayers who are asked by the State Board of Equalization to supply information:

The principal purpose for which the requested information will be used is to administer the California Timber Yield Tax Law. This includes the determination and collection of the correct amount of tax.

An individual taxpayer has the right of access to personal information about himself or herself in records maintained by the State Board of Equalization. The Board official responsible for maintaining Timber Tax Information is the Timber Tax Division Chief, Department of Property Taxes, 450 N Street, Sacramento, CA 95814, Telephone (916) 445-6964.

The California Revenue and Taxation Code, Part 18.5 (Timber Yield Tax), requires individuals and other persons meeting certain requirements to file applications for registration and tax returns in such form as prescribed by the State Board of Equalization.

It is mandatory that such individuals and other persons furnish all the required information requested by applications for registration, tax returns and other related data, except that the furnishing of social security numbers by individual applicants for Timber Yield Tax Accounts is voluntary. In addition, the law provides penalties for failure to file a return, for failure to furnish specific information required, for failure to supply information required by law or regulations, and for furnishing fraudulent information.

Information individuals and other taxpayers furnish to the State Board of Equalization may be given to federal, state and local government agencies as authorized by law.

MAP PAGE

CALIFORNIA STATE BOARD OF EQUALIZATION

HARVEST VALUE SCHEDULES, EFFECTIVE JANUARY 1 THROUGH JUNE 30, 1997 (Adopted by the California State Board of Equalization, December 4, 1996)

TABLE 1, MISCELLANEOUS HARVEST VALUES - This table is applicable to all timber value areas and shows the harvest values for special items such as Christmas trees, fuelwood, chipwood, poles, posts, split products, small sawlogs, and cull logs. Small sawlogs are logs of any species where the average net volume per 16-ft log for all sawlogs removed from a timber harvest operation during the reporting quarter is less than 65 board feet, Scribner Short Log Scale. Cull logs are to be reported in adjusted gross M board feet. For cull logs measured in tons, use a conversion factor of 4 tons per gross MBF, Scribner scale. Except for split products and small sawlogs, the items in this table are to be reported in the column for other unit measure on the Timber Tax Harvest Report.

TABLE 2, SIZE-QUALITY RATING FOR OLD GROWTH - This table shows the log sizes used to rate the listed species of old growth timber. The taxpayer determines the appropriate size-quality code as 1, 2, or 3 based upon the average net volume per 16' log. The average volume per log is for the reported quarterly volume within the harvest operation. It is calculated by dividing the net volume by the actual number of short-log scaling segments. (An estimate of the number of scaling segments may be made by dividing the total linear feet by 16.) Cull logs are excluded from this determination. When size quality code is determined from a statistical sample such as a timber cruise, calculate the code by dividing the total net volume of old growth on that species by the number of 16 foot old growth logs for that species for the entire sale. This rating shall remain fixed for the life of the timber operation.

TABLE 3, OLD GROWTH HARVEST VALUES - This table shows the harvest values for such timber by species, size-quality if required, and timber value area. The taxpayer must make the adjustments for the logging system and for small total volume on the harvest operation and/or low average volume per acre on the harvest operation and county location if the operation qualifies.

TABLE 4, YOUNG GROWTH HARVEST VALUES - This table shows the harvest values for such timber by species and timber value area. The taxpayer must make the adjustments for the logging system and for small total volume on the harvest operation and/or low average volume per acre on the harvest operation and county location if the operation qualifies.

TABLE 5, SALVAGE OLD GROWTH HARVEST VALUES - This table shows the harvest values for such timber removed by salvage logging only. The table shows the harvest values by species and timber value area. The taxpayer must make the adjustments for the logging system and for small total volume on the harvest operation and county location if the operation qualifies.

TABLE 6, SALVAGE YOUNG GROWTH HARVEST VALUES - This table shows the harvest values for such timber removed by salvage logging only. The table shows the harvest values by species and timber value area. The taxpayer must make the adjustments for the logging system and for small total volume on the harvest operation and county location if the operation qualifies.

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HARVEST VALUE SCHEDULES, EFFECTIVE JANUARY 1 THROUGH JUNE 30, 1997

(Adopted by the California State Board of Equalization, December 4, 1996)

TABLE 1 - MISCELLANEOUS HARVEST VALUES

SPECIES OR PRODUCT	SPECIES CODE	UNIT	HARVEST VALUE PER UNIT
Cull logs	CUL	Adj. Gross M board feet	5.00
Fuelwood, hardwood	FWH	Cords	20.00
Fuelwood, miscellaneous	FWM	Cords	15.00
Pulp chipwood & hardwood logs	HW	GreenTons	1.00
Woods-produced fuel chips	CS	Bone Dry Tons	0.00
Poles & pilings, small (20'- 40')	PS	Linear feet	0.65
Poles & pilings, medium (41'- 60')	PM	Linear feet	1.25
Poles & pilings, large (61'- up)	PL	Linear feet	1.70
Posts, round	PST	8 Linear feet	0.20
Split products, redwood	TR	Net M board feet	75.00
Split products, miscellaneous	TM	Net M board feet	10.00
Small sawlogs, miscellaneous	SSM	Net M board feet	160.00

No deduction for this table

TABLE 2 - SIZE-QUALITY RATING FOR OLD GROWTH

(For use where quality codes are required)

Average Net Volume Per Log (Board Feet)

SPECIES	SIZE QUALITY CODE		
	1	2	3
Ponderosa pine	Over 350	350 - 200	Under 200
Sugar pine	Over 500	500 - 300	Under 300
Douglas -fir	Over 350	350 - 200	Under 200
Redwood	Over 600	600 - 350	Under 350

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TABLE 3 - OLD GROWTH TIMBER HARVEST VALUES
Tractor Logging (Logging Code 1)

SPECIES	SPECIES CODE	SIZE CODE	TIMBER VALUE AREA										
			1	2N	2S	3	4	5	6	7	8	9N	9S
Ponderosa Pine	PPO	1	*	*	*	700	730	680	730	700	725	675	*
		2	630	530	480	600	650	600	650	600	625	575	275
		3	*	*	*	500	550	490	580	500	500	500	*
Sugar Pine	SPO	1	*	*	*	700	730	680	730	700	725	675	*
		2	630	530	480	600	650	600	680	600	625	575	275
		3	*	*	*	500	550	490	580	500	500	500	*
Fir and Hem/fir	FO		225	170	125	360	360	390	430	340	330	320	70
Douglas-fir	DFO	1	700	*	*	660	660	630	650	600	525	*	*
		2	575	400	380	600	600	570	550	500	475	290	70
		3	400	*	*	540	540	490	470	410	400	*	*
Incense-cedar	ICO		300	270		330	315	300	340	330	330	310	55
Conifers, misc.	CMO		100	125	125	200	200	190	220	200	190	190	40
Redwood	RO	1	850	*	*								
		2	725	700	650								
		3	600	*	*								
Port-Orford-cedar	PCO		4000			3600	3600						
Whitewoods	WVO		190	170	125								
* This species is not rated for size in this Timber Value Area - do not enter a Size Code.													

ADJUSTMENTS

Logging System:

Deduct \$10 for volumes which were high-lead logged
(Logging Code 2)
Deduct \$30 for volumes which were short-span skyline logged (Logging Code 3)
Deduct \$50 for volumes which were long-span skyline logged (Logging Code 4)
Deduct \$140 for volumes which were helicopter logged
(Logging Code 5)

County:

Deduct \$50 if harvesting was located in any of the following counties:
Marin, Monterey, San Mateo, Santa Clara, or Santa Cruz

Small Total Volume:

Deduct \$50 if total volume harvested this quarter is less than 300 MBF
Deduct \$100 if total volume harvested this quarter is less than 100 MBF
Deduct \$150 if total volume harvested this quarter is less than 25 MBF

Small Volume per

Acre:
Deduct \$25 if the average volume harvested this quarter is under 5 MBF per acre

\$1 PER MBF IS THE MINIMUM HARVEST VALUE ALLOWABLE AFTER ADJUSTMENT

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TABLE 4 - YOUNG GROWTH TIMBER HARVEST VALUES
Tractor Logging (Logging Code 1)

SPECIES	SPECIES CODE	TIMBER VALUE AREA										
		1	2N	2S	3	4	5	6	7	8	9N	9S
Ponderosa Pine	PPY	310	280	250	380	370	400	430	410	410	400	180
Sugar Pine	SPY	310	280	250	380	370	400	430	410	410	400	180
Fir and Hem/fir	FY	225	170	125	310	300	300	380	310	290	270	50
Douglas-fir	DFY	350	300	275	420	430	370	470	410	380	250	50
Incense-cedar	ICY	300	270		260	280	250	320	270	270	250	50
Conifers, misc.	CMY	100	125	125	190	190	190	220	200	160	160	40
Redwood	RY	525	520	500			430					
Port-Orford-cedar	PCY	300			250	250						
Whitewoods	WWY	190	170	125								

ADJUSTMENTS

Logging System:

Deduct \$10 for volumes which were high-lead logged
(Logging Code 2)
Deduct \$30 for volumes which were short-span skyline logged (Logging Code 3)
Deduct \$50 for volumes which were long-span skyline logged (Logging Code 4)
Deduct \$140 for volumes which were helicopter logged
(Logging Code 5)

County:

Deduct \$50 if harvesting was located in any of the following counties:
Marin, Monterey, San Mateo, Santa Clara,
or Santa Cruz

Small Total Volume:

Deduct \$50 if total volume harvested this quarter is less than 300 MBF
Deduct \$100 if total volume harvested this quarter is less than 100 MBF
Deduct \$150 if total volume harvested this quarter is less than 25 MBF

Small Volume per

Acre:
Deduct \$25 if the average volume harvested this quarter is under 5 MBF per acre

\$1 PER MBF IS THE MINIMUM HARVEST VALUE ALLOWABLE AFTER ADJUSTMENT

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TABLE 5 - SALVAGE OLD GROWTH HARVEST VALUES
Tractor Logging (Logging Code 1)

SPECIES	SPECIES CODE	TIMBER VALUE AREA										
		1	2N	2S	3	4	5	6	7	8	9N	9S
Ponderosa Pine	ZPP	325	275	250	380	380	370	440	400	450	425	110
Sugar Pine	ZSP	325	275	250	380	380	370	440	400	450	425	110
Fir and Hem/fir	ZF	150	100	75	220	220	210	340	275	290	210	40
Douglas-fir	ZDF	325	200	200	330	330	340	350	350	310	210	40
Incense-cedar	ZIC	150	150		200	220	250	270	250	280	230	40
Conifers, misc.	ZCM	50	50	50	150	150	170	200	150	150	150	30
Redwood	ZR	450	350	350								
Port-Orford-cedar	ZPC	3000			2400	2400						
Whitewoods	ZWW	100	100	75								

ADJUSTMENTS

Logging System:

- Deduct \$10 for volumes which were high-lead logged (Logging Code 2)
- Deduct \$30 for volumes which were short-span skyline logged (Logging Code 3)
- Deduct \$50 for volumes which were long-span skyline logged (Logging Code 4)
- Deduct \$140 for volumes which were helicopter logged (Logging Code 5)

Small Total Volume:

- Deduct \$50 if total volume harvested this quarter is less than 300 MBF
- Deduct \$100 if total volume harvested this quarter is less than 100 MBF
- Deduct \$150 if total volume harvested this quarter is less than 25 MBF

County:

- Deduct \$25 if harvesting was located in any of the following counties:
Marin, Monterey, San Mateo, Santa Clara, or Santa Cruz

\$1 PER MBF IS THE MINIMUM HARVEST VALUE ALLOWABLE AFTER ADJUSTMENT

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TABLE 6 - SALVAGE YOUNG GROWTH HARVEST VALUES
Tractor Logging (Logging Code 1)

SPECIES	SPECIES CODE	TIMBER VALUE AREA										
		1	2N	2S	3	4	5	6	7	8	9N	9S
Ponderosa Pine	APP	160	155	130	300	300	210	300	275	300	270	80
Sugar Pine	ASP	160	155	130	300	300	210	300	275	300	270	80
Fir and Hem/fir	AF	150	100	75	210	210	150	280	250	250	200	30
Douglas-fir	ADF	175	165	140	320	300	250	320	275	275	200	30
Incense-cedar	AIC	150	135		190	190	170	240	200	210	170	30
Conifers, misc.	ACM	50	50	50	120	120	140	200	125	110	100	30
Redwood	AR	300	300	280			215					
Port-Orford-cedar	APC	200			180	180						
Whitewoods	AWW	100	100	75								

ADJUSTMENTS

Logging System:

Deduct \$10 for volumes which were high-lead logged
(Logging Code 2)
Deduct \$30 for volumes which were short-span skyline logged (Logging Code 3)
Deduct \$50 for volumes which were long-span skyline logged (Logging Code 4)
Deduct \$140 for volumes which were helicopter logged
(Logging Code 5)

County:

Deduct \$25 if harvesting was located in any of the following counties:
Marin, Monterey, San Mateo, Santa Clara,
or Santa Cruz

Small Total Volume:

Deduct \$50 if total volume harvested this quarter is less than 300 MBF
Deduct \$100 if total volume harvested this quarter is less than 100 MBF
Deduct \$150 if total volume harvested this quarter is less than 25 MBF

\$1 PER MBF IS THE MINIMUM HARVEST VALUE ALLOWABLE AFTER ADJUSTMENT